

# **Senate File 327 - Introduced**

SENATE FILE 327  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO SSB 1201)

## **A BILL FOR**

1 An Act concerning the municipal fire and police retirement  
2 system and including effective date and retroactive  
3 applicability provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 400.8, subsection 1, Code 2013, is  
2 amended to read as follows:

3 1. The commission, when necessary under the rules,  
4 including minimum and maximum age limits, which shall be  
5 prescribed and published in advance by the commission and  
6 posted in the city hall, shall hold examinations for the  
7 purpose of determining the qualifications of applicants  
8 for positions under civil service, other than promotions,  
9 which examinations shall be practical in character and shall  
10 relate to matters which will fairly test the mental and  
11 physical ability of the applicant to discharge the duties of  
12 the position to which the applicant seeks appointment. The  
13 physical examination of applicants for appointment to the  
14 positions of police officer, police matron, or fire fighter  
15 shall be held in accordance with medical protocols established  
16 by the board of trustees of the fire and police retirement  
17 system established by section 411.5 and shall be conducted  
18 in accordance with the directives of the board of trustees.  
19 However, the prohibitions of section 216.6, subsection 1,  
20 paragraph "d", regarding tests for the presence of the antibody  
21 to the human immunodeficiency virus shall not apply to such  
22 examinations. The board of trustees may change the medical  
23 protocols at any time the board so determines. In the event of  
24 a conflict between the medical protocols established under this  
25 section and the minimum entrance requirements of the Iowa law  
26 enforcement academy under section 80B.11, the medical protocols  
27 established under this section shall control. The physical  
28 examination of an applicant for the position of police officer,  
29 police matron, or fire fighter shall be conducted after a  
30 conditional offer of employment has been made to the applicant.  
31 An applicant shall not be discriminated against on the basis  
32 of height, weight, sex, or race in determining physical or  
33 mental ability of the applicant. Reasonable rules relating to  
34 strength, agility, and general health of applicants shall be  
35 prescribed. The costs of the physical examination required

1 under this subsection shall be paid from the trust and agency  
2 fund of the city.

3 Sec. 2. Section 411.1, subsection 14, Code 2013, is amended  
4 to read as follows:

5 14. "*Member in good standing*" means a member in service who  
6 is not subject to removal by the employing city of the member  
7 pursuant to section 400.18 or 400.19, or other comparable  
8 process, and who is not the subject of an investigation that  
9 could lead to such removal. A Except as specifically provided  
10 pursuant to section 411.9, a person who is restored to active  
11 service for purposes of applying for a pension under this  
12 chapter is not a member in good standing.

13 Sec. 3. Section 411.1, Code 2013, is amended by adding the  
14 following new subsection:

15 NEW SUBSECTION. 23. "*Vested member*" means a member who has  
16 become eligible to receive monthly retirement benefits upon the  
17 member's retirement as the result of either completing at least  
18 four years of service or of attaining the age of fifty-five  
19 while performing membership service.

20 Sec. 4. Section 411.5, subsection 12, paragraph e, Code  
21 2013, is amended by striking the paragraph and inserting in  
22 lieu thereof the following:

23 e. Notwithstanding any provision of this chapter to the  
24 contrary, all benefits under this chapter shall commence no  
25 later than the required beginning date specified under section  
26 401(a)(9) of the federal Internal Revenue Code and shall comply  
27 with the required minimum distribution provisions of that  
28 section.

29 Sec. 5. Section 411.6, subsection 1, paragraph b, Code 2013,  
30 is amended to read as follows:

31 b. Any vested member in service ~~who has been a member of~~  
32 ~~the retirement system four or more years and~~ whose employment  
33 is terminated ~~prior to the member's retirement~~, other than by  
34 death or disability, prior to the member being credited with  
35 twenty-two years of service shall, upon attaining retirement

1 age for a vested member with four or more years of service  
 2 or upon application to the system for a vested member with  
 3 less than four years of service, receive a service retirement  
 4 allowance of four as calculated in the manner provided in this  
 5 paragraph. A vested member receiving a retirement allowance  
 6 pursuant to this paragraph shall receive a service retirement  
 7 allowance equal to one twenty-seconds of the retirement  
 8 allowance the member would receive at retirement if the  
 9 member's employment had not been terminated, and an additional  
 10 one twenty-second of such retirement allowance for each  
 11 additional year of service not exceeding based on twenty-two  
 12 years of service, multiplied by the number of years of service  
 13 credited to the member. The amount of the retirement allowance  
 14 shall be calculated in the manner provided in this paragraph  
 15 using the average final compensation at the time of termination  
 16 of employment.

17 Sec. 6. Section 411.6, subsection 8, paragraph c,  
 18 subparagraph (3), Code 2013, is amended by striking the  
 19 subparagraph.

20 Sec. 7. Section 411.9, subsection 2, Code 2013, is amended  
 21 to read as follows:

22 2. In the case of a member's death occurring on or after  
 23 January 1, 2007, if the member dies while performing qualified  
 24 military service as defined in section 414(u) of the Internal  
 25 Revenue Code, the survivors of the member are entitled to any  
 26 additional benefits, ~~other than benefit accruals relating to~~  
 27 ~~the period of qualified military service,~~ provided by the  
 28 system as if the member had resumed membership service and  
 29 had died as the natural and proximate result of an injury or  
 30 disease incurred in or aggravated by the actual performance of  
 31 duty at some definite time and place.

32 Sec. 8. Section 411.9, Code 2013, is amended by adding the  
 33 following new subsection:

34 NEW SUBSECTION. 2A. In the case of a member's disability  
 35 incurred while performing qualified military service as defined

1 in section 414(u) of the Internal Revenue Code, the member  
2 shall be treated as a member in good standing, whether or  
3 not the member returns to membership service, and shall be  
4 permitted to file an application for an ordinary disability  
5 retirement benefit as provided in section 411.6.

6 Sec. 9. Section 411.9, Code 2013, is amended by adding the  
7 following new subsection:

8 NEW SUBSECTION. 2B. In the case of a member's death or  
9 disability occurring on or after January 1, 2007, if the member  
10 is unable to resume membership service as a result of death or  
11 disability incurred while performing qualified military service  
12 as defined in section 414(u) of the Internal Revenue Code,  
13 the member shall be treated as if the member had returned to  
14 membership service and the period of military service shall be  
15 treated as membership service.

16 Sec. 10. Section 411.23, subsection 1, Code 2013, is amended  
17 to read as follows:

18 1. Commencing July 1, 1990, if an active member, in service  
19 on or after that date, terminates service, other than by death  
20 or disability, the member may elect to withdraw the member's  
21 contributions under section 411.8, subsection 1, paragraphs "f"  
22 and "h", together with interest thereon at a rate determined by  
23 the board of trustees. If the member is married at the time  
24 of the application for withdrawal, the application is subject  
25 to the consent of the member's spouse unless the amount to be  
26 withdrawn does not exceed the amount that may be withdrawn  
27 without consent as established by section 401(a) of the federal  
28 Internal Revenue Code. If a member withdraws contributions as  
29 provided in this section, the member shall be deemed to have  
30 waived all claims for other benefits from the system for the  
31 period of membership service for which the contributions are  
32 withdrawn.

33 Sec. 11. Section 411.36, subsection 1, paragraph a,  
34 subparagraph (3), Code 2013, is amended to read as follows:

35 (3) A city treasurer, city financial officer, ~~or~~ city clerk,



1 and the entrance requirements for the Iowa Law Enforcement  
2 Academy, the medical protocols established by the MFPRSI board  
3 shall control.

4 Code section 411.1 is amended to define a vested member of  
5 MFPRSI as a member who is eligible to receive a retirement  
6 benefit by completing at least four years of service or  
7 attaining age 55 while performing membership service.

8 Code section 411.5, concerning the administration of MFPRSI,  
9 is amended to provide that benefits paid under MFPRSI shall  
10 comply with the required beginning date and required minimum  
11 distribution provisions of the federal Internal Revenue Code.

12 Code section 411.6(1), concerning calculation of a service  
13 retirement benefit, is amended to provide that a vested member  
14 of MFPRSI with less than 22 years of membership service is  
15 entitled to receive a service retirement allowance based on the  
16 number of years of service credited to the member. Current  
17 law provides this service retirement allowance only to those  
18 members with at least four years of service.

19 Code section 411.6(8), concerning an ordinary death benefit  
20 under MFPRSI, is amended by striking the provision granting  
21 to the deceased member's dependent parents, if there is no  
22 surviving spouse or child, an option to elect as the death  
23 benefit a monthly pension benefit in lieu of a lump sum  
24 payment. The change does not eliminate the ability of a  
25 deceased member's parents to receive a lump sum ordinary death  
26 benefit if otherwise eligible.

27 Code section 411.9, concerning military service, is amended  
28 by adding two new subsections.

29 New Code section 411.9(2A) provides that if a member's  
30 disability was incurred while performing qualified military  
31 service, the member shall be permitted to file an application  
32 for an ordinary disability retirement regardless of whether the  
33 member returned to membership service following the disability.

34 New Code section 411.9(2B) provides that if a member is  
35 unable to return to membership service following the member's

1 death or disability occurring on or after January 1, 2007,  
2 while performing qualified military service, the member shall  
3 be treated as having returned to membership service and the  
4 period of military service shall be treated as membership  
5 service for purposes of Code chapter 411. Code section  
6 411.9(2) is also amended to reflect that the period of military  
7 service shall be counted as membership service for purposes of  
8 providing death benefits to a member who dies while performing  
9 qualified military service. The bill provides that both  
10 changes take effect upon enactment and apply retroactively to  
11 January 1, 2007.

12 Code section 411.23(1), concerning withdrawal of  
13 contributions, is amended to provide that a member who  
14 terminates service and elects to withdraw the member's  
15 contributions to MFPRSI shall be subject to the consent of  
16 the member's spouse if the amount to be withdrawn exceeds the  
17 amount that may be withdrawn as established by the federal  
18 Internal Revenue Code. Currently, the maximum amount that  
19 may be withdrawn without consent as provided by the federal  
20 Internal Revenue Code is \$5,000.

21 Code section 411.36, concerning the board of trustees of the  
22 MFPRSI, is amended to provide that the appointment of the city  
23 representative of the board is not limited to individuals with  
24 the title of city treasurer, city financial officer, or city  
25 clerk, but instead allows the appointment of those specified  
26 officers or any city officer involved with the management of  
27 the financial matters of the city. The bill provides that this  
28 change takes effect upon enactment and applies retroactively to  
29 appointments to the board made on or after January 1, 2013.